- (2) Combine the total American cheese production for the States of Minnesota and Wisconsin, as reported by the Department for the most recent preceding period, and divide by the annual yield factor for Cheddar cheese, 9.87, to determine the quantity (in hundredweights) of milk used in the production of American cheese.
- (e) Compute a weighted average of the changes in gross values per hundredweight of milk determined pursuant to paragraph (c) of this section in accordance with the relative proportions of milk determined pursuant to paragraph (d) of this section.

[60 FR 18958, Apr. 14, 1995]

### §1011.52 Plant location adjustments for handlers.

- (a) For milk received from producers or from a handler described in §1011.9(c) or (d) at a plant and which is classified as Class I milk subject to the limitations pursuant to paragraph (b) of this section, the Class I price shall be adjusted as follows:
- (1) For such milk which is physically received at a plant located within the State of North Carolina, or a plant located outside the Georgia counties in the marketing area and south of the southern boundary of the States of North Carolina and Tennessee and east of the Mississippi River, the Class I price shall be increased by 20 cents;
- (2) No adjustment shall be applicable on such milk which is physically received at a plant located within the marketing area except the Kentucky portion of the marketing area, or in the State of Virginia;
- (3) For such milk which is physically received at a plant located within the Kentucky counties of Bell, Breathitt, Clay, Harlan, Jackson, Knott, Knox, Laurel, Leslie, Letcher, McCreary, Owsley, Perry, Pulaski, Rockcastle, and Whitley, the Class I price shall be decreased by 32 cents; and
- (4) For such milk which is physically received at a plant located more than 90 miles by the shortest hard-surfaced highway distance as determined by the market administrator from the nearest of the city halls of Bristol, Chattanooga, and Knoxville, Tennessee, and outside the areas specified in paragraph (a)(1), (2), or (3) of this section,

- the Class I price applicable at the nearer of the city halls in Bristol, Chattanooga, or Knoxville, Tennessee shall be reduced by 2.5 cents for each 10 miles or fraction thereof that such plant is from the nearest of the city halls in Bristol, Chattanooga, and Knoxville, Tennessee.
- (b) For fluid milk products transferred in bulk form between pool plants, a location adjustment credit for the transferor-plant shall be determined by the market administrator for skim milk and butterfat, respectively, as follows:
- (1) Subtract from the pounds of skim milk remaining in Class I at the transferee-plant after the computations pursuant to §1011.44(a)(12) plus the pounds of skim milk in receipts of concentrated fluid milk products from other pool plants that are assigned to Class I use, an amount equal to:
- (i) The pounds of skim milk in receipts of milk at the transferee-plant from producers and handlers described in §1011.9(c) and 9(d); and
- (ii) The pounds of skim milk in receipts of packaged fluid milk products from other pool plants;
- (2) Assign any remaining pounds of skim milk in Class I at the transferee-plant to the skim milk in receipts of bulk fluid milk products from other pool plants, first to the transferor-plant at which no location adjustment applies and then to other plants in sequence beginning with the plant at which the least location adjustment applies;
- (3) Compute the total amount of location adjustment credits to be assigned to transferor-plants by multiplying the hundredweight of skim milk assigned pursuant to paragraph (b)(2) of this section to each transferor-plant by the applicable location adjustment rate for each such plant, and add the resulting amounts:
- (4) Assign the total amount of location adjustment credits computed pursuant to paragraph (b)(3) of this section to those transferor-plants that transferred fluid milk products containing skim milk classified as Class I milk pursuant to §1011.42(a), in sequence beginning with the plant at which the least location adjustment applies. Subject to the availability of such credits,

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the credit assigned to each plant shall be equal to the hundredweight of such Class I skim milk multiplied by the applicable location adjustment rate for such plant. If the aggregate of this computation for all plants having the same location adjustment rate exceeds the credits that are available to those plants, such credits shall be prorated to the volume of skim milk in Class I transfers from such plants; and

(5) Location adjustment credit for butterfat shall be determined in accordance with the procedure outlined for skim milk in paragraphs (b)(1)

through (4) of this section.

(c) The Class I price applicable to other source milk shall be adjusted by the amounts set forth in paragraph (a) of this section, except that the adjusted Class I price shall not be less than the Class III price.

[41 FR 36796, Sept. 1, 1976, as amended at 47 FR 19671, May 7, 1982; 52 FR 5071, Feb. 19, 1987; 58 FR 27796, May 11, 1993; 61 FR 1149, Jan. 17, 1996]

# §1011.53 Announcement of class prices.

The market administrator shall announce publicly on or before the fifth day of each month the Class I price and the Class II price for the following month, and the Class III and Class III-A price for the preceding month.

[60 FR 6608, Feb. 2, 1995]

#### §1011.54 Equivalent price.

If for any reason a price or pricing constituent required by this part for computing class prices or for other purposes is not available as prescribed in this part, the market administrator shall use a price or pricing constituent determined by the Secretary to be equivalent to the price or pricing constituent that is required.

#### UNIFORM PRICE

## §1011.60 Handler's value of milk for computing uniform price.

For the purpose of computing the uniform price, the market administrator shall determine for each month the value of milk for each handler described in §1011.9(a) with respect to each of its pool plants, for each handler described in §1011.9(b) and (c) with re-

spect to milk that was not received at a pool plant, and for each handler described in §1011.9(d) as follows:

(a) Multiply the pounds of producer milk and milk received from a handler described in §1011.9(c) that were classified in each class pursuant to §§1011.43(a) and 1011.44(c) by the applicable class prices, and add the result-

ing amounts;

(b) Add the amounts obtained from multiplying the pounds of overage subtracted from each class pursuant to \$1011.44(a)(14) and the corresponding step of \$1011.44(b) by the respective class prices, as adjusted by the butterfat differential specified in \$1011.74, that are applicable at the location of the pool plant:

(c) Add the amount obtained from multiplying the difference between the Class III price for the preceding month and the Class I price applicable at the location of the pool plant or the Class II price, as the case may be, for the current month by the hundredweight of skim milk and butterfat subtracted from Class I and Class II pursuant to §1011.44(a)(9) and the corresponding

step of §1011.44(b);

(d) Add the amount obtained from multiplying the difference between the Class I price applicable at the location of the pool plant and the Class III price by the hundredweight of skim milk and butterfat assigned to Class I pursuant to §1011.43(d) and the hundredweight of skim milk and butterfat subtracted from Class I pursuant to §1011.44(a)(7) (i) through (iv) and the corresponding step of §1011.44(b), excluding receipts of bulk fluid cream products from an other order plant and bulk concentrated fluid milk products from pool plants, other order plants and unregulated supply plants;

(e) Add the amount obtained from multiplying the difference between the Class I price applicable at the location of the transferor-plant and the Class III price by the hundredweight of skim milk and butterfat subtracted from Class I pursuant to §1011.44(a)(7)(v) and (vi) and the corresponding step of

§1011.44(b); and

(f) Add the amount obtained from multiplying the Class I price applicable at the location of the nearest unregulated supply plants from which an